AMENDED IN ASSEMBLY JUNE 2, 2015 AMENDED IN ASSEMBLY APRIL 30, 2015 AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 870

Introduced by Assembly Member Cooley

February 26, 2015

An act to add *and repeal* Chapter 1 (commencing with Section 15290) to of Part 6.6 of Division 3 of Title 2 of the Government Code, relating to housing, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 870, as amended, Cooley. Homelessness: rapid rehousing.

Existing federal law, the American Recovery and Reinvestment Act of 2009, allocated, until September 30, 2011, \$1.5 billion to the federal Department of Housing and Urban Development for the Homelessness Prevention Fund, to be used for homelessness prevention and rapid rehousing. Existing law, the California Work Opportunity and Responsibility to Kids Act, provides housing supports to individuals if the administering county determines that the individual or his or her family is experiencing homelessness or housing instability that would be a barrier to self-sufficiency or child well-being and declares that it is the intent of the Legislature that housing supports utilize evidence-based models, including those established in the federal Department of Housing and Urban Development's Homeless Prevention and Rapid Re-Housing Program.

This bill would establish a 2-year pilot program within the Department of Housing and Community Development for awarding grants to

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counties that operate a rapid rehousing program. The bill would require the department to select 4 counties to receive these grant funds, giving priority to counties with existing programs that have demonstrated effectiveness in providing supporting housing for homeless individuals and veterans. This bill would continuously appropriate \$1 million each year \$2 million for 2 years from the General Fund to the department and require the department to distribute \$250,000 of this money equally to each of the 4-counties. counties, less an amount of up to 5% deducted for administrative purposes. The bill would repeal these provisions as of January 1, 2018.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. The Legislature finds and declares the following:
- 2 (a) In 2013, the United States Department of Housing and Urban
- 3 Development (HUD) reported that California has nearly 40,000
- 4 chronically homeless persons, which is 36 percent of the total
- 5 chronically homeless population of the United States. This is due
- 6 in large part to an insufficient amount of affordable housing in7 California.
 - (b) HUD also reported that there are over 15,000 homeless veterans in California.
 - (c) Several studies, including one by the Journal of the American Medical Association, have demonstrated that it is far more cost effective and efficient to provide the homeless with permanent, supportive housing through "rapid rehousing" and "housing first" initiatives. These measures also reduce the cost to governments of funding shelters and emergency services.
 - SEC. 2. Chapter 1 (commencing with Section 15290) is added to Part 6.6 of Division 3 of Title 2 of the Government Code, to read:

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Chapter 1. Rapid-Re-Housing Rehousing Pilot Program

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- 22 15290. For the purposes of this chapter, the following 23 definitions shall apply:
- 24 (a) "Department" means the Department of Housing and 25 Community Development.

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(b) "Homeless" has the same meaning as defined in Section 91.5 of Title 24 of the Code of Federal Regulations.

- (c) "Pilot program" means the program established pursuant to this chapter for distributing funds to counties.
- 15290.5. (a) There is hereby established a *two-year* pilot program in the department for awarding grants to counties that operate a rapid rehousing program. The department shall administer the pilot program.
- (b) The department shall select four counties to participate in the pilot program. The department shall select counties by giving priority to those counties with existing rapid rehousing programs that have demonstrated effectiveness in providing supportive housing and homelessness prevention for individuals and veterans of the United States military experiencing homelessness.
- 15291. Notwithstanding Section 13340, the (a) (1) The sum of one million dollars (\$1,000,000) two million dollars (\$2,000,000) is hereby-continuously appropriated, without regard to fiscal years, appropriated from the General Fund-each year to the department, exclusively to be distributed to the counties selected pursuant to Section 15290.5. The 15290.5 and for the administration of this chapter.
- (2) The department shall use not more than one million dollars (\$1,000,000) of the amount appropriated in paragraph (1) in each year of the pilot program for the purposes authorized by this section.
- (b) (1) The department shall distribute two hundred fifty thousand dollars (\$250,000) an equal amount of the money received pursuant to this section each year year, less any amount deducted for administrative purposes, to each of the four counties.
- (2) The department may use up to 5 percent of the money received pursuant to this section for the purpose of administering this chapter.
- 33 15291.5. This chapter shall remain in effect only until January 34 1, 2018, and as of that date is repealed.